

NEWS

From the County of San Bernardino

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Walker Announces \$5.4 Million Distribution to Cities and Districts

San Bernardino, CA — San Bernardino County Auditor-Controller/Treasurer/Tax Collector Larry Walker announced the distribution of \$5.4 million in unclaimed excess tax sales proceeds to cities, districts, and redevelopment successor agencies.

Walker stated, "The one-time funding should be a pleasant surprise to cash-strapped cities and districts throughout San Bernardino County."

The money had been held in trust accounts by the San Bernardino County Tax Collector's Office dating back to 1997. The trust accounts came to Walker's attention after the Board of Supervisors consolidated the offices of the Auditor-Controller/Recorder and the Treasurer/Tax Collector in January of 2010.

In May of 2010 Walker ordered the Internal Audits Section of his office to conduct an immediate review of the unclaimed excess tax sale proceeds trust accounts in the newly acquired Tax Collection function. Auditors determined that there were approximately 25 trust funds established in which unclaimed excess tax sale proceeds had been deposited since 1997.

There were several complicating factors that had to be addressed prior to the distribution of the money. Walker said his staff had to conduct research to properly identify tax bills for each and every parcel dating back to 1997. The manner of distribution had to be determined, and the apportionment amount for each eligible agency was verified. Data had to be retrieved from archives because records had been purged from the property tax system and staff had to verify all parcels were clear of any legal restriction before the unclaimed excess proceeds could be released.

The Tax Collector conducts annual tax sales at which tax-defaulted properties are sold to collect unpaid taxes and return properties to a revenue generating status by conveying property to new owners. Unclaimed excess tax sale proceeds are the sale proceeds that remain when properties sell for more than what is owed in taxes, penalties, interest, and administrative overhead. The unclaimed excess tax sale proceeds are placed in trust for a statutorily prescribed period of time to allow parties of interest to file claims for the remaining excess tax sale proceeds. At the conclusion of the claim process any remaining funds are apportioned to taxing entities.

Please see the attached distribution report.

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